

## **Assembly Bill No. 864**

### **CHAPTER 872**

An act to amend Section 19961 of, and to add Section 19961.1 to, the Business and Professions Code, relating to gambling.

[Approved by Governor September 29, 2004. Filed  
with Secretary of State September 29, 2004.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

**AB 864, Firebaugh. Gambling.**

Existing law permits a city, county, or city and county to permit controlled gambling, consistent with state law, if a majority of electors affirmatively approve an ordinance so permitting, as specified. Existing law requires an amendment of an ordinance that would expand gambling to be submitted to, and approved by a majority of, the voters of the city, county, or city and county. However, existing law also provides that an amendment that would result in an expansion of gambling may occur once, without voter approval, if the expansion is within a specified threshold. Expansion of gambling is defined for the purpose of these provisions to be an increase of 25% or more with respect to various measures including in the number of gambling tables that may be operated in a gambling establishment. Existing law provides that these provisions do not apply to a licensed gambling establishment with 5 or fewer tables.

This bill would provide that these provisions shall apply to licensed gambling establishments with 5 or fewer tables. The bill would require that any amendment to a city or county ordinance relating to gambling establishments or the Gambling Control Act shall be submitted to the Division of Gambling Control for review and comment before the ordinance is adopted by the city or county. The bill would provide that an amendment of an ordinance permitting an expansion of gambling, within the specified threshold, may occur without voter approval more than once. This bill would change the definition of expansion of gambling to include an increase of 25% or more in the number of gambling tables that may be operated in a gambling establishment or an increase of 2 tables, whichever is greater. The bill would also provide that increasing the number of games offered in a gambling establishment does not constitute an expansion of gambling, as specified. The bill would also prohibit a city, county, or city and county from amending its ordinance in a cumulative manner to increase gambling by more than 25%, as specified.

*The people of the State of California do enact as follows:*

SECTION 1. Section 19961 of the Business and Professions Code is amended to read:

19961. (a) (1) Except as provided in paragraph (2), on or after the effective date of this chapter, any amendment to any ordinance that would result in an expansion of gambling in the city, county, or city and county, shall not be valid unless the amendment is submitted for approval to the voters of the city, county, or city and county, and is approved by a majority of the electors voting thereon.

(2) Notwithstanding paragraph (1) and Section 19962, an ordinance may be amended without the approval of the electors after the effective date of this chapter to expand gambling by a change that results in an increase of less than 25 percent with respect to any of the matters set forth in paragraphs (1), (2), (3), (5), and (6) of subdivision (b). Thereafter, any additional expansion shall be approved by a majority of the electors voting thereon.

(b) For the purposes of this section, “expansion of gambling” means, when compared to that authorized on January 1, 1996, or under an ordinance adopted pursuant to subdivision (a) of Section 19960, whichever is the lesser number, a change that results in any of the following:

(1) An increase of 25 percent or more in the number of gambling tables in the city, county, or city and county.

(2) An increase of 25 percent or more in the number of licensed card rooms in the city, county, or city and county.

(3) An increase of 25 percent or more in the number of gambling tables that may be operated in a gambling establishment in the city, county, or city and county, or an increase of two tables, whichever is greater.

(4) The authorization of any additional form of gambling, other than card games, that may be legally played in this state, to be played at a gambling establishment in the city, county, or city and county.

(5) An increase of 25 percent or more in the hours of operation of a gambling establishment in the city, county, or city and county.

(6) An increase of 25 percent or more in the maximum amount permitted to be wagered in a game.

(c) The measure to expand gambling shall appear on the ballot in substantially the following form:

“Shall gambling be expanded in \_\_\_\_ beyond that operated or authorized on January 1, 1996, by \_\_\_\_ (describe expansion)? Yes \_\_\_\_



No \_\_\_\_.”

(d) The authorization of subdivision (c) is subject to Sections 19962 and 19963 until those sections are repealed.

(e) Increasing the number of games offered in a gambling establishment does not constitute an expansion of gambling pursuant to this section.

(f) No city, county, or city and county shall amend its ordinance in a cumulative manner to increase gambling by more than 25 percent for the factors listed in subdivision (b), when compared to that authorized on January 1, 1996, without conducting an election pursuant to Section 19961.

SEC. 2. Section 19961.1 is added to the Business and Professions Code, to read:

19961.1. Any amendment to a city or county ordinance relating to gambling establishments, or the Gambling Control Act, shall be submitted to the Division of Gambling Control for review and comment, before the ordinance is adopted by the city or county.

